

# Public Reports Sustainable Forest Management System

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PUBLIC AUDIT REPORT – SFM

TO BE SUBMITTED TO THE CLIENT, IFCC AND TO AJA EUROPE



CLIENT NAME: PT Citra Sumber Sejahtera Sejati

TOTAL HECTARES: 15,360 Ha

SCOPE OF REGISTRATION: Sustainable Forest Management of 15,360 Hectares of Plantation Forest in Riau Province

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 1

AUDIT START DATE: March 13, 2023

In signing this document the Audit team confirmed that they had no involvement with the company under audit in terms of consultancy, training, direct employment etc. within the last 2 years and have no other involvement (financial, shareholding or commercial) that would constitute a Conflict of Interest

AUDIT END DATE: March 16, 2023

LEAD AUDITOR: Riyadi Sigit Pamungkas

SIGNATURE:


AUDIT TEAM (UNDER SUPERVISION): Amin Kadeni

SIGNATURE:

AUDIT TEAM: Agung Utama Lubis

SIGNATURE:

SUPERVISOR: Andri Wibisono

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 1

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
Head office	Jl. Samratulangi No. 24/26, Pekanbaru, Provinsi Riau, Indonesia	March 13, 2023
Site	Peranap Estate, Kecamatan Peranap, Kabupaten Indragiri Hulu, Provinsi Riau, Indonesia	March 14 to 16, 2023
SITE NAME (Legal Name):	ADDRESSES OF ADDITIONAL SITES NOT VISITED BUT STILL COVERED BY THE REGISTRATION INCLUDING COUNTRY- TO BE COMPLETED IF CLIENT IS UNDER A SITE SAMPLING AUDIT PLAN	
NA		

#### Brief description of the concession

The area of PT Citra Sumber Sejahtera is based on the Decree of the Minister of Forestry of the Republic of Indonesia No. 68/Menhut-II/2007 dated February 23, 2007, covering an area of 15,360 ha located in Indragiri Hulu Regency, Riau Province. There was a change to the IUPHHK-HTI Decree, namely the Decree of the Minister of Environment and Forestry No. 791/MenLHK/Setjen/HPL.0/10/2019 dated October 11, 2019. By the issuance of this decree, the Management Unit has a name change from PT Citra Sumber Sejahtera to PT Citra Sumber Sejahtera Sejati. The entire concession is certified by IFCC due to no conversion of natural forest.

PT Citra Sumber Sejahtera Sejati is located at 00° 43' 20" to 00° 51' 30" South and 101° 53' 45" to 102° 00' 35" East. Based on government administration, it is in Peranap District, Indragiri Hulu Regency, Riau Province. The area boundaries are as follows:

- North: KUD Serangge Permai;
- South: Bukit Batabuh Protection Forest;
- East: Seranggai Permai KUD and Cipta Bina Karya KUD;
- West: PT Artelindo Wira Tama.

The Management Unit has its current long-term business plan (RKUPHHK-HTI) for the period of 2018 to 2027, which has been ratified by the Decree of the Minister of Environment and Forestry Number SK. 123/MENLHK-PHPL/UHP/HPL.1/1/2018 dated January 22, 2018. The spatial layout of the working area is Local Protected Areas and Other Protected Areas of 2,708 Ha (17.63%), Staple Plants area of 8,984 Ha (58.49%) and Livelihood Plant area of 3,668 Ha (23.88%). The Local Protected Areas and Other Protected Areas consists of River Border area of 1,813 Ha (11.80%), KPPN area of 100 Ha (0.65%), KPSL area of 100 Ha (0.65 %), and Buffer Zone of Bukit Batabuh Protection Forest of 695 Ha (4.53%).

The Management Unit work area has a flat topography (0–8%) 51.51%, sloping (8%-15%) 37.87% and undulating (15-25%) 10.62% and an altitude of 30 – 60 meters above sea level. It is part of the Kwalaran River Forest Group with the rivers are Peladangan River and Serangge River. Based on climate classification according to Schmidt-Ferguson, PT Citra Sumber Sejahtera Sejati is included in climate type A with a value of Q = 14.3%. Based on the Geological Map, it belongs to the Palembang geological formation (Qtpu; Tpm; Tpl) and the Telisa geological formation (Tmtu; Tmtl). The soil type is the Red Yellow Podzolic (PMK). The entire work area of PT Citra Sumber Sejahtera Sejati is mineral soil. The Management Unit develops *Acacia mangium*, *Acacia crassicarpa* and *Eucalyptus* sp.

#### Description of the socio-economic conditions of the concession and the concession's social programs

There were no indigenous peoples around the concession. Based on field verification and field interviews with community leaders, the livelihood of the population is dominated by the agricultural sector, including oil palm plantation farmers and rubber plantation farmers. According to the history of the origin of the surrounding community, the community around the company is classified as a local community.

PT Citra Sumber Sejahtera Sejati has made efforts to resolve conflicts with the surrounding community. There was a Meeting to Discuss the Progress of Implementation of RKTUPHHK-HTI Activities at PT Citra Sumber Sejahtera Sejati (PT CSS) and PT Bukit Batabuh Sei Indah (PT BBSI) in Indragiri Hulu Regency. The meeting was held in the Hall of the Riau Province Environment and Forestry Service and was attended by the relevant government agencies. There was a Coordination and Technical Meetings for Implementation of the Blocking Area on February 16, 2022, in the Hall of the Riau Province Environment and Forestry Service with related government agencies. There is a Report on Potential Mapping and Conflict Resolution in the Forest Utilization Permit Area (PBPH) of 2022 for PT Citra Sumber Sejahtera Sejati with conflict status at the IUPHHK level is Low (controlled).

PT Citra Sumber Sejahtera Sejati has collaborated with the surrounding village community. There is an Addendum to the Cooperation Agreement between PT Citra Sumber Sejahtera (now PT Citra Sumber Sejahtera Sejati) and the village

community. Based on interviews with related village officials, there is cooperation on livelihood plant between PT Citra Sumber Sejahtera Sejati and the village community. The Cooperation Agreement between the company and the village is the result of an agreement between the parties, namely PT Citra Sumber Sejahtera and the surrounding village community.

PT Citra Sumber Sejahtera Sejati has provided support to the surrounding community in its corporate social responsibility program. Based on the Community Development Program Implementation Report, PT Citra Sumber Sejahtera Sejati has realized the CSR program. The CSR activities carried out include the provision of honorarium assistance for village administrators, religious leaders, traditional leaders, community leaders, empowerment of traditional institutions, assistance for village-sub-district road repairs, participation in the construction of places of worship, renovation of school buildings, youth and sports activities, celebration assistance religious affairs, assistance for the Republic of Indonesia Anniversary, assistance for villages that were passed by logging trucks.

#### **Description of the Ecological conditions of the concession**

PT Citra Sumber Sejahtera Sejati's effort to minimize the damage on soil causes by the operational activities is performing documented procedures (SOP) related to RIL (Reduce Impact Logging) with reference to national guidelines and considering the type of ecosystem. The RIL is performed in pre-harvesting, during harvesting, and after harvesting activities was done.

PT Citra Sumber Sejahtera Sejati allocates Local Protected Areas and Other Protected Areas with an area of 2,708 Ha (17.63%) consisting of River Rims of 1,813 Ha (11.80%), KPPN of 100 ha (0.65%), KPSL of 100 Ha (0.65%) and the Bukit Betabuh Protected Forest Buffer Zone of 695 Ha (4.52%). Other than that, the Management Unit has done steps to protect the protected areas from forest concession operations, as follows:

- Protected area outreach by socialization of protecting protected areas and concession areas from encroachment and forest fires. In this activity, the company's vision and mission were also conveyed as well as the implementation of the 2021 RKT and the implementation of CSR.
- Installing Protected Area Nameplates. During the field observation of the test samples, there was a signboard with the name of the Peladangan River Border Protected Area.
- Installation of warning/prohibition signboards.
- Security Patrol which includes monitoring, preventing and overcoming illegal activities in protected areas, especially the potential for forest and land fires.

PT Citra Sumber Sejahtera Sejati has identified the key species found in its working area, namely sumatran elephant (*Elephas maximus*). Two elephants can still be found, as reported in the RKL/RPL Implementation Report for Semester II of 2022.

PT Citra Sumber Sejahtera Sejati in monitoring, preventing and controlling forest fires is guided by the Minister of Environment and Forestry Regulation: P.32/menlh/setjen/kum.1/3/2016 concerning control of forest and land fires. The efforts made by the Management Unit are:

1. Make a policy of preparing land without burning plant residues without burning (Zero Burning), to prevent forest and land fires.
2. Formation of the Forest and Land Fire Management Brigade organization and providing training for the members.
3. Procurement of facilities, equipment, and infrastructure for forest and land fire management and control, such as GPS, HT, portable generator, hose, portable pump, hose reel, axe, hoe, rake, shovel, pick-ups, water tankers, motorbikes, etc.
4. Build a Dalkarhutla Command Post where the location of the command post and storage facilities is in the base camp area. Also, a fire tower, where the tower is 20 meters high, made of iron, and in good condition. It is surrounded by a fence.
5. Installation of signboards warning/prohibition of burning forests and land and the Fire Danger Level Information Board (FDRS).

6. Monitoring through CCTV and fire towers.
7. Early detection by conducting ground checks on hot spot information from satellites.

#### Results of the Public Consultation

Prior to conducting a Surveillance 1 Audit on PT Citra Sumber Sejahtera Sejati, PT AJA Sertifikasi Indonesia has made a public announcement and public consultation. Invitation to public consultation to stakeholders to obtain input as materials/considerations in conducting re certification audits through the website [www.ajaindonesia.com](http://www.ajaindonesia.com) on January 26, 2023. The stakeholders can provide input for audit considerations to PT AJA Sertifikasi Indonesia email. There is no input from stakeholders.

The audit team also collected information from the mass media about PT Citra Sumber Sejahtera Sejati. The reported cases are considered as part of the PT AJA Sertifikasi Indonesia audit process.

The Management Unit has identified all the necessary requirements for this certification process, which consist of legal aspects which include compliance with international rules and regulations and conventions. A management system has been developed to cover all activities in the area of certification, which are registered for the certification area of 15,360 hectares.

#### Findings on the certified client conformity with the certification requirements and description of critical issues in relation to the conformity.

The Surveillance 1 Audit result are 1 (one) non-conformity in Minor category.

Number	Non-Conformities	Corrective Action Performed	Categories
1	Based on an examination of the RKTPH 2023 and the Revision of RKTPH 2022 documents, there are differences in data on the Planned Harvest Area, Planned Harvesting Volume and Realized Harvesting Volume in both documents.  Clause I.1.1 and II.5.1	PT Citra Sumber Sejahtera Sejati will submit evidence of the RKTPH 2022 Implementation Manual Reporting and Non-Tax State Revenue Management Information System (SIM PNBP) of 2022. At the time of preparing the 2023 RKTPH, the government information system (on website) referred to the initial RKTPH 2022 data for the displayed RKTPH 2022 Realization, whereas the information system should have referred to the Revised of RKTPH 2022 due to some revision to the initial data.	Minor

#### Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HT/00025/VII/2016 is valid until July 26, 2025, provided that PT Citra Sumber Sejahtera Sejati completes all corrective actions according to the time schedule proposed in its corrective action responses and does not have the same problems at the next Surveillance visit. If the non-conformities are not closed at the next Surveillance, the certificate will be suspended until such time as AJA is able to perform a close-out visit.